

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WISCONSIN

In re: Jennifer & Israel R. McKinney

Case No. 22-11558-13

Debtor(s)

TRUSTEE'S RECOMMENDATION OF AMENDED CHAPTER 13 PLAN and AMENDED
SCHEDULES

Mark Harring, Standing 13 Trustee, by his attorney, recommends confirmation of the Amended Chapter 13 Plan and Request to Amend Unconfirmed Plan filed as Document #126 on 4/13/2023 together with Amended Schedules I,J&J-2 filed as Document #129 on 4/24/2023 and states as follows:

1. Plan is amended to adjust plan payments with a requirement of \$15,000/mo to be paid starting in April 2023 and for 39 months, then increasing to \$22,000/mo for the final 15 months of a 60 month plan. The amended budget appears to support the debtors' ability to make the plan payments and includes separate housing expenses due to a pending divorce. We note the J-2 budget does not include any expenses other than housing so must assume the new filings represent entire family expenses for items such as food etc. The budget also indicates the debtors' private school tuition will decrease as the dependents age, this appears to be the source of the increase in plan payments for the final months.
2. Plan is amended to increase attorney fees to be paid by this office from \$10,000 to \$25,000. We are certainly aware of the additional work done to get this case to its' current situation, however, a separate Fee Application and Order are required in light of the amount requested.
3. Plan is amended to indicate no payments are to be made through the plan to Marine Credit Union as relief from stay has been granted.
4. Plan is amended to adjust treatment of the secured obligation due IRS with a balance of \$309,801.19, the reduction as specified in the Nonstandard Provisions section. This secured debt is to be paid with 7% interest and monthly payments of \$4,434.33 starting in April 2023. To date this office has been making adequate protection payments to IRS of \$6,870.94/mo. The Nonstandard Provisions makes clear the debtors will continue making monthly payments on this obligation after the plan term has run. There are additional provisions in the Nonstandard Provisions section relating to agreement made between the IRS and the debtors. We are assuming the notice requirement set forth in #4 is not intended to place any burden on this office but rather is an obligation placed on IRS to monitor the status of plan payments made and received.
5. Plan is amended to provide for payment of the priority debt due IRS and WDR in the amount of \$639,028.72.

6. A proposed Confirmation Order will be sent to the Court for signing. In passing we note the Order on Motion to Extend Time allowed the debtors until 4/23/2023 to file an amended budget. As noted above, the budget was filed 4/24/2023. This office is not sure whether this timing will impact the Court's ability to sign the Confirmation Order or not.

Dated: April 25, 2023

Standing Chapter 13 Trustee

By: /s/ Leslie Brodhead Griffith

Leslie Brodhead Griffith

Attorney for Trustee

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